



Succession Planning for Small to Mid-sized Cideries & Orchards



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Goals for Today

- EVALUATE - honest assessment of your business organization
- THINK - critically analyze what hurdles are present
- ASK - questions what should happen next
- SET - your next steps

You should walk away with at least one clear action item.

What we are NOT doing today...

- Preparing to Raise \$\$\$ - Seed/Angel/Series A
- Leadership training
- Chasing hockey sticks

ML-5

+6

Y-8

+8

Coat-5

+5

Jon-3

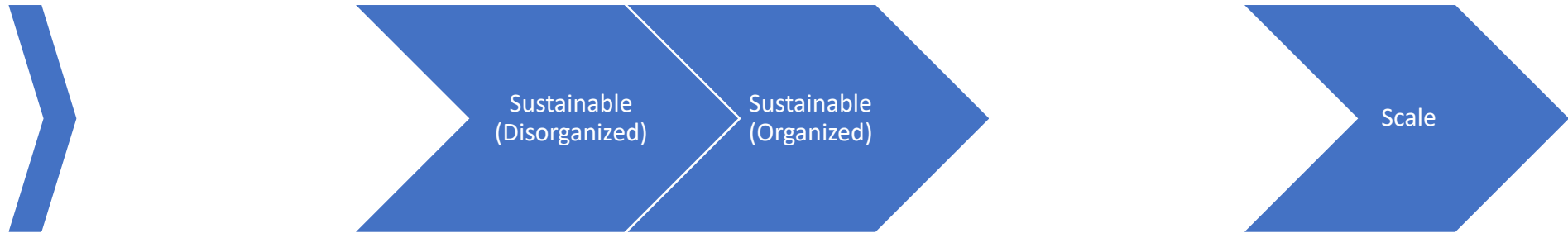
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RD-4

HC-0

Thought Exercise

Business Organizational Phases



	Startup (Not Sustainable)	Stable (Disorganized— Cannot withstand Transition)	Stable (Organized for Transition)	Scale (Rapid Exponential Growth)
Organization Model	Back of the envelope Shoot from the hip Gut feeling driven	Start of organization Paper driven—"I know it's here somewhere, just give me time to find it."	Organized but may have maxed out process or program—Excel file with so many tabs your need a key to keep track of them. Processes Documented & Distribut- ed to others	Data Driven Industry specific programs and process- es—in place, staff trained, and fully used
Revenue Model	Yes, please! "Door law" - whatever revenue walks through the door	Revenue streams known (tradition) but assumed for the future Little or no forecasting No planning for future	Revenue Streams known and evalu- ated for future strength Forecasting Key Items Planning for future products and channels	Revenue streams known, evaluated, and actively looking for new opportunities Forecasts are key to decision making Planning each step based on data
Owner's Focus	300 things to do and I have time for 3 I do it all.	I still do a lot, but I've hired some help and learned that everything isn't an emergency. Still not planning both strategy and tactics— "What do I need to do today?"	I've hired help, trained them, and empowered them to do their jobs without me. I may be still in the day -to-day, but I'm not doing it all. Prioritized tasks Planning both tactics and strategy.	Hired experts who are trained and empow- ered to lead. Everything it prioritized Management team plans both tactics and strategy
Example Legal Hurdles— Landmines	Business Structure Compliance Insurance Co-mingling	Tribal Knowledge—Lack of Docu- mentation Co-Mingling Personal Connections—Contracts,	Keeping up-to-date—legal issues Keeping up-to-date—Best practices	Multiple Jurisdictions Multiple Sophisticated Stakeholders Contractual Return Rates

Hurdles

- Legal structure
- Compliance
- Grandfathering
- Insurance
- Co-mingling (Personal / Business)
- Co-mingling (Business / Business)
- Record keeping
- Documentation
- Tribal Knowledge
- Keeping up-to-date
- Inheritance v Buy-out
- Partial generation inheritance
- Generation skipping
- Spendthrift
- Unmarried / Remarried / Queer relationships
- Preferential Treatment - gained or lost
- Employees - Hired, Kept, Required
- Owners/Management - Required to remain
- Performance based sales
- Debit Structure
- Written strategy
- Forward planning & planting - trees/equipment
- KPIs - Who's? How many? Measuring what?
- Intellectual Property - Copyright, Trademark, Service Mark, Patent, Trade Secret
- Critical Evaluation/Reflection
- Data - Collecting, Organizing, Analyzing, Protecting
- Budget / Forecasts
- Product Development
- Sales Channels / Sales Contracts







Solutions

- What is your goal?
- What is being transferred?
- Who is receiving it?
- Is it documented?
- Does everyone know?
- Is it protected?

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